

Message Text

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ORIGIN FSE-00

INFO OCT-01 ARA-10 EUR-12 ISO-00 TRSE-00 /023 R

DRAFTED BY FS/WFC:FRBRANDE:BJ

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R 231936Z JUL 75

FM SECSTATE WASHDC

TO ALL AMERICAN REPUBLIC DIPLOMATIC POSTS

AMCONSUL BELIZE

AMCONSUL CURACAO

AMCONSUL HAMILTON

AMCONSUL MARTINIQUE

AMEMBASSY OTTAWA

AMCONSUL PARAMARIBO

XMT AMEMBASSY PANAMA

UNCLAS STATE 173543

E. O. 11652: N/A

TAGS: AFIN

SUBJECT: DISBURSEMENT AND FOREIGN EXCHANGE RATES

FOR ADMINISTRATIVE AND B & F OFFICERS

1. WE HAVE BEEN WORKING WITH TREASURY TO DEVELOP A MORE
TIMELY/RESPONSIVE PAYMENT SYSTEM. SEVERAL CHANGES
ARE REQUIRED TO RESOLVE PAYMENT PROBLEMS AND CONSERVE YOUR
ALLOTMENT (I.E., GIVE YOU THE ADVANTAGE OF THE CURRENT
TREND IN RATE FLUCTUATIONS MORE BENEFICIAL TO THE U.S.).

2. EFFECTIVE IMMEDIATELY TREASURY WILL ACCEPT ONLY PAYMENT
REQUEST SCHEDULES (SF-1166'S) WHICH SHOW AND ARE CALCU-
LATED BASED UPON RATE OF EXCHANGE IN EFFECT AT THE TIME
OF DOCUMENT PRESENTATION FOR PAYMENT. UNTIL NOW WE HAVE
FURNISHED SCHEDULES SHOWING THE RATE IN EFFECT WHEN THE
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SCHEDULE WAS PREPARED. THERE HAVE BEEN SEVERAL VOUCHERS
PROCESSED RECENTLY AT SUBSTANTIAL SAVINGS BECAUSE OF
FOREIGN CURRENCY DEVALUATION BETWEEN THE TIME THE VOUCHER
WAS FORWARDED TO US AND THE TIME IT WAS PRESENTED TO
TREASURY FOR PAYMENT. THE ABOVE HAS BEEN TREASURY'S

UNENFORCED POLICY FOR SOME TIME, GAO CONCURS IN THIS POLICY,
AND IF THE CURRENT TREND CONTINUES WE CAN MAKE MONEY FOR

YOU BY COOPERATING. OUR INSTRUCTIONS TO POSTS (FISCAL
OPERATING PROCEDURES AND CASHIER HANDBOOK, WFC, DATED
APRIL 1, 1973) ARE ADEQUATE GENERALLY; THEY REQUIRE
SOME EXPANSION. IT IS NECESSARY TO CHANGE WFC'S PROCE-
DURES AND INCREASE THE LEVEL OF COORDINATION WITH POSTS
TO COMPLY WITH TREASURY'S REQUIREMENTS AND ACHIEVE
SAVINGS FOR YOU.

3. FOLLOWING ARE THE RATES ACCORDING TO TREASURY AND
STATE RECORDS THAT YOU SHOULD USE WHEN PREPARING SF-1166'S,
AND WHICH WE ARE USING FOR PAYROLL PROCESSING.

ASUNCION 126.00 GUARANIES TO 1.00 US DOLLAR

BOGOTA 31.00 PESOS DTO

BRASILIA 8.08 CRUZEIROS DTO

BUENOS AIRES 35.40 PESOS DTO

CARACAS 4.28 BOLIVARS DTO

GUATEMALA 1.00 QUETZALE DTO

LA PAZ 20.38 PESOS DTO

LIMA 43.38 SOLES DTO

MANAGUA 7.00 CORDOBAS DTO

MEXICO 12.49 PESOS DTO

MONTEVIDEO 2.84 PESOS DTO

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OTTAWA 1.022 DOLLARS DTO

PORT-AU-
PRINCE 5.00 GOURDES DTO

QUITO 25.18 SUCRES DTO

SAN JOSE 8.54 COLONES DTO

SAN SALVADOR 2.50 COLONES DTO

SANTIAGO 5500.00 ESCUDOS DTO

SANTO DOMINGO 1.00 PESOS DTO

TEGUCIGALPA 2.00 LEMPIRAS DTO

FOR AB/CAR POSTS: CONTINUE TO USE THE RATE OF EXCHANGE PROVIDED IN STATE 162097.

4. IF WE ARE TO OBTAIN POTENTIAL BENEFITS POSTS SHOULD KEEP CURRENT ON THE EXCHANGE RATE APPLICABLE TO CHECK DEPOSITS FOR THE RDO'S ACCOUNT. WHENEVER THERE IS AN INCREASE OR DECREASE OF ONE PERCENT OR MORE IN THIS EXCHANGE RATE POSTS SHOULD INSTRUCT THEIR CLASS B CASHIER TO START USING THE NEW RATE FOR CASH PAYMENTS AND SHOULD ADVISE TREASURY AND FS/WFC OF THE NEW RATE IN EFFECT.

SEND A TELEGRAM TO SECSTATE AS ACTION ADDRESSEE AND TO THE DEPARTMENT OF TREASURY AS INFO ADDRESSEE. IN THE INTERNAL DISTRIBUTION LINE SHOW "TREASURY FOR CDO/RDO: STATE FOR FS/WFC".

5. IN VIEW OF THE ABOVE WE ARE CANCELLING THE REQUIREMENT TO TELEGRAPH THE EXCHANGE RATE ON THE LAST WEDNESDAY OF THE PAY PERIOD. WE WILL PROCESS PAYROLLS, THE PRINCIPAL CHARGE TO YOUR ALLOTMENTS, ON THE BASIS OF WHATEVER WAS THE LAST RATE YOU FURNISHED. IT IS THEREFORE INCUMBENT UPON POSTS TO CURRENTLY DETERMINE THE EXCHANGE RATE AND TELEGRAPH IF THERE HAS BEEN A CHANGE OF MORE THAN ONE UNCLASSIFIED

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PERCENT. IF WE EXPERIENCE SEVERAL INSTANCES OF FAILURE TO REPORT CHANGES WE WILL HAVE TO RESORT TO POSITIVE REPORTING ON A SCHEDULED BASIS. PLEASE COOPERATE AND HELP FS/WFC TO HELP YOU. FOR OTHER THAN AB/CAR POSTS, PLEASE NOTE THAT WE WILL BE CHANGING SCHEDULES TO WHATEVER RATE IS CURRENT, WHICH SHOULD CAUSE YOU TO CHANGE YOUR POSTINGS OF LIQUIDATED OBLIGATIONS. IN THE FUTURE, WE HOPE TO IMPLEMENT THE TELEGRAPHIC INPUT PROCEDURE AND PREPARE YOUR SF-1166'S HERE. THIS WILL SPEED PROCESSING AND ELIMINATE THE NECESSITY TO MAKE CHANGES.

6. NOTHING ABOVE ELIMINATES THE REQUIREMENT TO TELEGRAPH THE PREVAILING RATE EXCHANGE TWO WORK DAYS PRIOR TO THE END OF EACH MONTH FOR PURPOSES OF FINANCIAL REPORTING AND TO ENSURE EXCHANGE RATE COORDINATION. USE THE ADDRESS INFORMATION IN PAR. 4 ABOVE. WHEN WE GET INFORMATION FROM TREASURY WE WILL SEND YOU A CONFIRMING CABLE SIMILAR TO PAR. 3 "ONCE A MONTH".

7. THE PROCEDURES ABOVE WILL BE EVALUATED ON THE BASIS OF PERFORMANCE AND REVISIONS IN MANUALS WILL BE MADE ACCORDINGLY.

KISSINGER

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<< END OF DOCUMENT >>

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CURACAO
HAMILTON
MARTINIQUE
OTTAWA

PARAMARIBO
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